

COUNTY OF LOS ANGELES

DEPARTMENT OF PUBLIC WORKS

"To Enrich Lives Through Effective and Caring Service"

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IN REPLY PLEASE
REFER TO FILE: AE-3

June 3, 2004

The Honorable Board of Supervisors County of Los Angeles 383 Kenneth Hahn Hall of Administration 500 West Temple Street Los Angeles, CA 90012

Dear Supervisors:

JOB ORDER CONTRACTS FOR REPAIR AND REFURBISHMENT OF COUNTY FACILITIES AWARD CONTRACT SPECS. VARIOUS ALL SUPERVISORIAL DISTRICTS 3 VOTES

JOINT RECOMMENDATION WITH THE CHIEF ADMINISTRATIVE OFFICER THAT YOUR BOARD:

- 1. Award a Job Order Contract to Athena Engineering, Inc., for a one-year contract period for a maximum cost of \$3 million to be financed through the appropriate capital or refurbishment projects' budget.
- 2. Award a Job Order Contract to New Creation Builders for a one-year contract period for a maximum cost of \$3 million to be financed through the appropriate capital or refurbishment projects' budget.
- 3. Authorize the Director of Public Works to prepare and execute the JOCs in the form previously approved by County Counsel and establish the effective date following receipt of approved Faithful Performance and Labor and Materials Bonds filed by Athena Engineering, Inc., and New Creation Builders.
- 4. Authorize the Director of Public Works to execute work orders not to exceed the maximum amount of each contract.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

We are recommending that your Board award two separate JOCs to Athena Engineering, Inc., and New Creation Builders, the apparent lowest responsive bidders, for repair and refurbishment of County facilities for a maximum not to exceed fee of \$3 million for each one-year contract.

The JOC is a flexible, cost-effective unit price contracting technique to accomplish repair and refurbishment of County facilities without extensive plans and specifications. This relatively simple and straightforward process reduces administrative requirements and lowers direct construction costs, while meeting all Federal, State, and County procurement requirements.

We are currently administering four active JOCs. The most recent JOC for repair and refurbishment of Public Works facilities was awarded by your Board on June 1, 2004. These JOCs will help expedite, as the need arises, capital improvement and earthquake repair of facilities in the courts, health, justice, and general project areas.

Public Contract Code Section 20128.5 allows individual JOCs to have a one-year term and a maximum value of \$3 million.

We will report activity on the JOC to your Board quarterly along with our regular report on delegated contracting activity.

Implementation of Strategic Plan Goals

These actions meet the County's Strategic Plan Goals of Service Excellence and Organizational Effectiveness as this construction contract will improve public facilities and restore them fully into service sooner than with traditional construction contracting.

FISCAL IMPACT/FINANCING

The recommended construction contracts with Athena Engineering, Inc., and New Creation Builders are \$3 million each. There is no anticipated fiscal impact to the County as a result of this action. Repair or refurbishment work will be financed through the appropriate capital or refurbishment projects' budget. No work will be assigned to these JOCs without the Chief Administrative Office's prior review and funding authorization.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

A standard contract, in the form previously approved by County Counsel, will be used. The standard Board-directed clauses for contract terminations, renegotiations, and hiring qualified displaced County employees will be included.

The project specifications also contain provisions requiring the contractors to report solicitations of improper consideration by County employees and allowing the County to terminate the contracts if it is found that the contractors offered or gave improper consideration to County employees.

As requested by your Board on August 12, 1997, and as a threshold requirement for consideration for contract award, Athena Engineering, Inc., and New Creation Builders are willing to consider Greater Avenues for Independence Program/General Relief Opportunity for Work participants for future employment.

Athena Engineering, Inc., and New Creation Builders, as required on all publicly funded projects in excess of \$1,000, will be required to pay prevailing State wage rates to all persons employed on these JOCs.

As required by your Board, language has been incorporated into the project specifications stating that the contractors shall notify their employees, and shall require each subcontractor to notify its employees, about Board Policy 5.135, the Safely Surrendered Baby Law, and that they may be eligible for the Federal Earned Income Credit under the Federal income tax laws.

Athena Engineering, Inc., and New Creation Builders are in full compliance with Los Angeles County Code Chapter 2.200 (Child Support Compliance Program) and Chapter 2.203 (Contractor Employee Jury Service Program).

ENVIRONMENTAL DOCUMENTATION

The implementation of each work order under these JOCs shall be subject to prior determination and documentation by Public Works that the work order is categorically exempt from the California Environmental Quality Act. In the event the work order is not exempt, your Board will be requested to approve the appropriate environmental finding and documentation prior to implementation.

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CONTRACTING PROCESS

On March 30, 2004, your Board adopted the JOC Unit Price Book and Specifications for the repair and refurbishment of County facilities and instructed the Executive Officer to advertise for two separate bids. Five competitive bids were received on April 27 and May 4, 2004. Bidders were required to submit a set of cost adjustment factors that would be applied to the unit prices for work in the JOC Unit Price Book. The bid was determined by calculating a composite factor using a predetermined and advertised formula. Athena Engineering, Inc., and New Creation Builders were the apparent lowest responsive and responsible bidders meeting the criteria adopted by your Board. The JOC Unit Price Book and the contractors' adjustment factors will be incorporated in the awarded contracts. The bid results are summarized in Enclosure A.

Athena Engineering, Inc.'s, and New Creation Builders' three-year contracting history are on file with Public Works.

To ensure the contracts are awarded to responsible contractors with a satisfactory performance history, bidders were required to report violations of the False Claims Act, their civil litigation history, and information regarding prior criminal convictions. The information reported by Athena Engineering, Inc., and New Creation Builders was considered before making this recommendation to approve execution of the contracts.

As requested by your Board on February 3, 1998, this JOC opportunity was listed on the "Doing Business with Us" website. Copies of the website postings are included as Enclosure B for your reference.

Public Works has evaluated and determined that the Living Wage Program (County Code Chapter 2.201) does not apply to the recommended contracts as these contracts are for non-Proposition A services.

<u>IMPACT ON CURRENT SERVICES (OR PROJECTS)</u>

The use of these contracts will expedite the completion of repair or refurbishment work managed by Public Works. Minor impacts to tenant departments may occur while repair or refurbishment work is underway.

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CONCLUSION

Please return one adopted copy of this letter to the Chief Administrative Office and Public Works.

Respectfully submitted,

JAMES A. NOYES
Director of Public Works

DAVID E. JANSSEN Chief Administrative Officer

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cc: County Counsel

Department of Public Social Services (GAIN/GROW Program)

Office of Affirmative Action Compliance

ENCLOSURE A

JOB ORDER CONTRACTS FOR REPAIR AND REFURBISHMENT OF COUNTY FACILITIES AWARD CONTRACT SPECS. VARIOUS

Bid Opening Date: April 27, 2004

Bid Summary:

	<u>Bidder</u>	<u>Total Composite Factor</u>
1.	Athena Engineering, Inc.	0.9319
2.	Ace Engineering, Inc.	0.9376
3.	2H Construction	1.0220
4.	New Creation Builders	1.0310
5.	MTM Construction, Inc.	1.1550

Bid Opening Date: May 4, 2004

Bid Summary:

	<u>Bidder</u>	Total Composite Factor
1.	New Creation Builders	0.9030
2.	Ace Engineering, Inc.	0.9270
3.	2H Construction	1.0185
4.	MTM Construction, Inc.	1.1050
5.	Athena Engineering, Inc.	1.1800



